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TRADE IN COMMUNIST AREAS PROMOTED:
NEW TAIWAN CURRENCY REGULATIONS ISSUED

SHANG-HAI ESTABLISHES TRADE ORGANIZATIONS -- Hua Shang Pao, 16 Jun 49

Shang-hai, (WNA), 15 Jun 49 -- During 9 - 13 June 1949, two large foreign-trade organizations, the Shang-hai General Trading Corporation and East China District Foreign-Trade Control Office, were established under the Shang-hai Military Control Commission and the Shang-hai People's Government for the purpose of increasing foreign trade. Under the East China District Foreign-Trade Control Office, there is a Foreign-Trade Corporation whose duties are administration of nationally owned import-export business firms and promotion of foreign trade in cooperation with private merchants.

The Trade Department of the Shang-hai Military Control Commission has issued a regulation concerning registration of all importing and exporting companies. The registration is to be completed between 15 June and 31 July 1949.

The China Salt Corporation resumed operations on 11 June 1949. It has a large stock on hand, so that salt, which formerly came from the northern Kiangsu area, can now be sent elsewhere.

SHANG-HAI IMPORTS DAILY NECESSITIES FROM INTERIOR -- Ta Kung Pao, 16 Jun 49

Shanghai, (WNA), 15 Jun 49 -- The Trade Department (Mou-i-ch'u) of the Financial and Economic Custodial Committee (Ts'ai-ching Chieh-kuan Wei-yuan-hui) of the Shang-hai Military Control Commission has been importing large quantities of rice, coal, and edible oil from the interior. Twenty million catties (one catty equals 1.3 pounds) of rice were brought in between 1 - 10 June and it expected that by the end of June from 60 - 80 million catties will have arrived. Coal, oil, and rice are now sufficient for current needs. The 80 to 90 million catties of rice which the KMT were unable to carry off is sufficient for Shang-hai's needs for 3 months.

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There are 2,620,000 catties of edible oils on hand. This has been provided from stocks of the liberated KMT government-operated vegetable oil factories and supplies released by the East China District Resources Commission and the People's Bank. At present, large supplies of vegetable oil raw materials are being shipped in from Hang-chow, Su-chow, Chia-hsing, and other points. Coal is in ample supply for production industries. 70,000 tons having been taken over by the East China District Resources Commission and 7,500 tons imported since the liberation. Further coal supplies are being secured from Lien-yun and Ch'in-huang-tao.

Shang-hai, 14 Jun 49 -- The local authorities today began a program of promoting thrift and saving. The plan is to compute savings or withdrawals on the basis of the current prices of such staples as rice, cloth, coal, oil, etc. Observers believe that if this plan can be carried out, long-forgotten thrift habits of the people may be revived and people will begin setting aside a part of their wages in savings.

TAIWAN CURRENCY REGULATIONS ISSUED -- Ta Kung Pao, 16 Jun 49

Taihoku, 15 Jun 49 -- The Bank of Taiwan is putting new Taiwan currency into circulation as of 15 June 1949 in one-, five-, and ten-yuan denominations. Hundred-yuan notes will be issued soon. The present issue of old Taiwan notes amounts to 1,400,000,000 yuan. The new currency will be backed by 800,000 ounces of gold, with a value of 44 million US dollars. The issue will be 200 million yuan.

A Taiwan import-export trading fund of 10 million US dollars is also provided.

The new currency will be issued under the following regulations:

1. The new Taiwan currency is pegged to the US dollar and will be exchanged at the rate of five yuan per dollar.
2. The Central Government will control Taiwan import-export trade and foreign exchange.
3. The Central Government will control gold and silver and foreign currency in Taiwan.
4. The Central Government will control all production industries in the provinces.
5. The Central Government will control all production surpluses.
6. The Bank of Taiwan will act for the National Treasury in collecting all Central Government taxes in Taiwan. Ch'en Ch'eng is in supreme command of all military affairs on the island.

PEI-PING, INNER MONGOLIA SIGN AGREEMENT -- Ta Kung Pao, 17 Jun 49

Pei-ping, (NCMA), 15 Jun 49 -- On 13 June 1949, a trade agreement was signed between the Pei-ping Municipal Trading Corporation and the Suiyuan Branch of the Inner Mongolian Trade Control Office. According to the terms of the agreement, the Pei-ping Municipal Trading Corporation is to send 150 million yuan (People's Bank Notes) worth of cloth, paper, and various other products to Suiyuan in return for 666,191 catties of wool from June to October 1949.

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